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EG-1A-00306

Chief, ME

17 June 1958

Chief of Station, Germany

Operational/CART

Penetration of KGBOPING Security Formations

REF: HQ-96116, 30 April 1958 - 12.1 2.34/4
up security

1. We concur generally with the philosophy presented in the reference that penetration of the Subject organizations at the lead level does not have sufficient attractiveness to warrant premeditated attacks. However, worthy candidates who come into view as targets of opportunity and who have some potential of achieving Federal level will always be looked at closely. Bringing recruited sources, tested and as true as spies ever become, from the provinces into the Federal level has at least as much merit as recruiting under liaison cover those already in Federal employment. This latter technique is obvious to most. It is certainly obvious to SMILKY, who has been known to complain that CAVATA officers suffer from split loyalties.

2. Although the KIS-see-of-AIS-cover theory outlined in paragraph 1 of the reference has some interest and pertinence as regards SMILKY, we feel [] is not an example. The KIS would be more interested in having an uncommitted [] penetrate KGBOPING than take a chance that we would recruit [] and keep him on the payroll. Much more troublesome in our minds is the possibility that [] is being pushed into us by some KGBOPING service. We are inclined to doubt that any present KGBOPING service would take the time and trouble to mount such an operation. We also discount any possibility that SMOTE is running [] In short we do not believe a person in [] place would be or much use as a provocation, nor do we believe his background gives us any more than normal concern about hostile control.

3. Therefore we see [] as a security problem in no blacker light than most other agents, although his possible compromise has an embarrassment potential slightly greater than other CART agents. We see [] as a production problem. As stated in paragraph 1 of the reference, the operation has been developed slowly for good reason. For that reason [] actual production measured out of context has

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CICE memo

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certainly not been worth the case officer's time. Due to the slow and careful handling, which we consider to be quite proper in this case, we do not even know specifically what [] has access to in his own organization. We have no real knowledge of that connections [] has that will enable him to accomplish the real objective of the project, the penetration of CAVATA. In short we have an actual operation which has produced so little that the embarrassment potential remains slight. We have a potential operation which could produce a penetration of CAVATA from such an unexpected angle that it should pass unnoticed and, if compromised, leave the officers in touch with CAVATA with the chance to disclaim any knowledge of the affair.

4. So far as the [] operation is concerned, the following steps are recommended:

a. Although all the investigative devices available to FOS that could be used within the limits of security were used, we suggest that a plan be worked out whereby we could get from SMOER, [] record.

b. The recent LEFTWINTER, which appears to be without any reliability should be cleared up at the first chance.

c. Closer looks should be taken into [] CAVEND access. Although we believe the rule should be that local levels are not as productive as Federal levels, we should make some effort to ensure the validity of this commonly held maxim in this particular case.

d. Within the limits of security at this time [] should be examined for his actual potential for getting into the CAVATA.

e. [] should be pumped more for internal GIN relationships.

f. The project should be reviewed after six to nine months to see if the agent has any immediately realizable potential for penetrating CAVATA. If not, his access in [] should be scrutinized for potential.

5. The CARKEN operation has been explained to the Station's satisfaction in NSAI-340. We assume FOS will keep CARKEN in the special connection category and take great care not to impose KHRARK requests on CARKEN to a degree incompatible with his KINROFINS duties.

6. Since the writing of the reference the [] case has come upon us. This case has many aspects in common with the [] case. Here a man of anti-Communist bent came to us to save his role in the anti-Communist struggle or, failing that, for aid in continuing the battle in another arena. FOS has neatly walked the tight rope between

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avoiding falling for what may be opportunism or provocation while retaining at the same time the agent's good will. Certainly he is well placed in an area which has considerable attraction to the opposition, and where West German security awareness has not been very keen. The same careful development is called for in this case as in the [] case.

7. While on the reference topic we should make some reference to the CARAVEL operation, MOB's relationship with [] and BOB's relationships with their local security counterparts. The CARAVEL operation has been going for some time and has, in the main, been profitable. We see, and trust you agree, no security clouds on the horizon. MOB's contact with [] will be discussed in connection with our answer to EOWA-6165. Although we have not polled BOB on this score, we believe that any penetration attempts in the occupied city of Berlin will be rare in view of the material BOB can get by simply asking for it.

8. In conclusion we agree that the efforts to penetrate CAVATA via the liaison officer should once more be taken up. However, we would like to take careful stock of where CAVATA will end up in the CAVATA/UPSWING overtake and establish as closely as possible the identity and location of UTILITY's sources of information within CAVATA. This preliminary step will be instituted as soon as feasible. The actual recruitment would of course be done in an non-attributable manner to the extent possible. We are sceptical however that a KEMARK liaison officer can ease a CAVATA person into recruitment position and then have some other person come in and make a pitch without resulting attribution to KEMARK. Nonetheless we will attempt to comply with the request contained in paragraph 4 of the reference.

Approved:

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